

Collection Policy for Mallard Lakes Association

Step	Process	Time	Cost	Explanation	Who
1	30-day Letter	Mailed 30-days past due date	HOAM charges for letter preparation & postage	Letter sent to any address on file for the Owner- including the address on file with HOAM	HOAM
2	15-day demand letter	Mailed 60-days past due date	HOAM charges for letter preparation & postage	Letter sent to any address on file for the Owner- including the address on file with HOAM	HOAM
3	90-days past due	Turned Over to Attorney for collection	NO CHARGE	The account ledger, final demand letter from the Association, and a Board resolution to Attorney.	MLA Board & HOAM
4	Demand	3-5 days after turnover	\$150.00	Demand letter is sent to the owner at all available addresses on public record. All costs will be added to the homeowner's account.	Attorney
5	Claim of Lien	Approx. 30 days after Demand letter	\$250 for attorney's fees, \$6.25 filing fee and cost of certified mail postage	Claim of lien will be filed against the property and mailed to the homeowner with a cover letter stating that there is a possibility of foreclosure.	Attorney
6	File to Perfect Claim of Lien	Approx. 30 days after Claim of Lien	\$500 to File, \$250/hr for subsequent time spent in litigation	Must file suit to actually obtain a lien on the property	Attorney
7	Obtain Successful Lien	Fact Specific and Dependent upon Owner Response	See Number 6 Above	Must succeed in the suit	Attorney
8	Obtain Board Approval	Prior to Pre-Foreclosure	No charge	Board must approve a motion to proceed with Pre-Foreclosure.	MLA Board
9	Pre-Foreclosure	Approx. 10 days after Board approval	\$250/hr	If Lien has been perfected (Number 7 Above), then begin non-judicial foreclosure process which includes registration to NCHFA, 45 day letter, 30 day letter.	Attorney
10	Foreclosure	Approx. 60 days	\$250/hr until foreclosure, 5% of sale price if sold	A Foreclosure Notice is filed and served to the homeowner providing a court date.	Attorney
11	Court Hearing	Approx. 45 days after the notice is served	See Number 9	Court hearing will be held to satisfy the outstanding debt.	Attorney
12	Notice of sale		See Number 9	Publish a news article stating that the property will be sold at a foreclosure sale. Once that has been done, the sale will take place. If the HOA is the highest bidder a deed will be recorded and the homeowner may be evicted. Mortgage company could foreclose on the property and take it from the association, or a 3rd party could get the title to the property, in which case the Association is paid in full.	Attorney